

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name: Concord Scoria Permit	Proposed Implementation Date: 7/21/2012
Proponent: Concord Field Services	
Type and Purpose of Action: Concord Field Services is proposing to mine scoria from the referenced section, crush the scoria and deliver it to the oil industry that is actively being developed in Roosevelt County.	
Location: E½SE¼, Section 8 Township 27 N Range 57 E	County: Roosevelt

I. PROJECT DEVELOPMENT

<p>1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED: Provide a brief chronology of the scoping and ongoing involvement for this project.</p>	<p>Concord Field Services has proposed (application received December 9, 2011) to mine scoria from the referenced section of State of Montana School Trust Lands. An existing mine is located in the NE¼ of the section. This property is fee property. This proposal would extend the mine onto DNRC Trust Lands. Access to the mine site is provided across deeded lands owned by Robert Anderson.</p> <p>Mining of the scoria is completed by scraping and stockpiling the surface material, and then removing the scoria (clinker). The landscape is then re-contoured and seed back to its original vegetation. The DNRC is responsible for permitting these activities Statute authority 77-3-201, copy of the lease form. The DNRC TLMD manages and is responsible for both the surface and subsurface estate of this property. The MT DEQ is the regulatory agency and is responsible for the mining, and reclamation of the land.</p> <p>Concord Field Services estimates that approximately 30,000 yards of scoria is available</p> <p>DNRC and DEQ staff inspected (December 11, 2011) the mine area along with Ken Klo, Concord Field Services. DNRC requested comments from the MTFWP and from the DNRC surface Lessee's. None of the entities commented on the project.</p>
<p>2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:</p>	<p>Montana Department of Environmental Quality; Open Cut mining permit, Storm water discharge permit.</p>
<p>3. ALTERNATIVES CONSIDERED:</p>	<p>Action: Grant permission for Concord Field Services to mine the scoria using mitigation measures when necessary to minimize the impacts to the State's</p>

	resources. . NO Action: Deny permission for Concord Field Services to mine the scoria.
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II. IMPACTS ON THE PHYSICAL ENVIRONMENT	
RESOURCE	[Y/N] POTENTIAL IMPACTS N = Not Present or No Impact will occur. Y = Impacts may occur (explain below)
4.GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE: Are fragile, compactible or unstable soils present? Are there unusual geologic features? Are there special reclamation considerations?	The Tongue River Member of the Fort Union Formation forms the geology of the general project area. These deposits are characterized by yellowish orange sandstone, sandy and silty carbonaceous shale (some of which has metamorphosed into various grades of clinker [scoria] and porcellanite), and coal (Geologic Map of Montana 2007). Soils in the areas inspected are largely clay loam of the Zahill-Lambert Complex, or silt loam of the Lambert-Dim yaw Complex (NRCS n.d.) Action: The construction of the access route and the development of the mine will significantly disturb approximately 8 acres of land. The natural soil profile will be permanently altered. Mitigation: The DEQ requires the proponent to scrap all topsoil within the root layer (6-30") of the areas to be disturbed. The topsoil will be stockpiled and safeguarded for reclamation purposes. No-Action: There will be no impacts to these attributes of the landscape.
5.WATER QUALITY, QUANTITY AND DISTRIBUTION: Are important surface or groundwater resources present? Is there potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality?	There is no known surface or groundwater sources present on the landscape. Action: The implementation of the proposed action will not impact water quality, quantity, or distribution. No-Action: The no action alternative will result in the landscape remaining the same.
6.AIR QUALITY: Will pollutants or particulate be produced? Is the project influenced by air quality regulations or zones (Class I airshed)?	The region has good air quality. The development of the Bakken formation has increased foreign air particle pollutants. The development of the Bakken field will continue to decrease air quality. Action: Scoria mines and the removal of scoria from the site contribute to foreign particles being added to the air. The foreign particles sources are primarily from dust created by the crushing and/or by the trucks that remove the scoria from the mine site. Mitigation: The Concord Field Services will be

II. IMPACTS ON THE PHYSICAL ENVIRONMENT

required to daily apply water to the road and mine area to minimize the addition of dust particles to the air.

No-Action: There will be no change in air quality.

7. VEGETATION COVER, QUANTITY AND QUALITY: Will vegetative communities be permanently altered? Are any rare plants or cover types present?

This area is classified as a thin-hilly (TH) range site with current species composition being classified as native. Plant species observed on the TH range are typical TH range species (Grasses and forms compose the majority of the dry matter weight of this range site). These range sites are known for their extremely thin and fragile soil profile.

Action: The mining of the area will affect the vegetation cover of this area. All vegetation growing in the mine and road areas will be permanently destroyed. Presently the areas to be mined support low vegetative (estimated at < 500 #lbs /ac) plant growth due to the thin A-horizon soil structure. The building up of approximately 1-foot of topsoil will increase the productivity of this tract of land.

Mitigation. All disturbed areas will be reseeded to the following seed mix:

<u>Species</u>	<u>lbs PLS/AC</u>
Slender wheatgrass	2
Western wheatgrass	2
Thickspike wheatgrass	2
Bluebunch wheatgrass	2
Green needlegrass	2
Western Yarrow	<u>0.5</u>
Total 10.5	

No-Action: The vegetation will continue to exist as it is today.

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS: Is there substantial use of the area by important wildlife, birds or fish?

The area is utilized by wildlife for winter habitat. The area is part of the Missouri River Breaks corridor. Use by wildlife species does take place.

Action: Implementation of the action alternative will temporarily displace animals. Animals will not utilize the area while the project is taking place.

No-Action: No displacement of animals will take place.

II. IMPACTS ON THE PHYSICAL ENVIRONMENT	
9.UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES: Are any federally listed threatened or endangered species or identified habitat present? Any wetlands? Sensitive Species or Species of special concern?	<p>The NRIS database search found 4 mammalian species of concern. Of these species, none of the habitat types that they utilized are involved in this project. No wetlands are involved.</p> <p>Action: No federally listed threatened or endangered species or habitat will be altered.</p> <p>No-Action: No alteration of the landscape on the state land will take place.</p>
10.HISTORICAL AND ARCHAEOLOGICAL SITES: Are any historical, archaeological or paleontological resources present?	<p>Department staff walked the area to be disturbed and observed no artifacts present on the surface. A search of TLMD data base records found no site leads.</p> <p>Action: No artifacts are known to exist therefore no disturbance is anticipated. Below ground artifacts/fossils are not anticipated. If below surface artifacts are found, site disturbance would need to cease immediately.</p> <p>No-Action: No disturbance will take place.</p>
11.AESTHETICS: Is the project on a prominent topographic feature? Will it be visible from populated or scenic areas? Will there be excessive noise or light?	<p>This area is naturally beautiful. The breaks landscape is one of the more scenic places in NE Montana. Presently, scoria mining is taking place throughout the area on deeded, state and federal lands.</p> <p>Action: The disturbance of the site will continue to degrade the aesthetic quality of the area.</p> <p>Implementation of the project will change the natural topography of the landscape. This change will be present henceforth. The land will be re-contoured and shaped to as much as natural landscape as possible, but it will never return to its original topography.</p> <p>No-Action: The area adjacent to this site is disturbed and had degraded the aesthetic qualities.</p>
12.DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY: Will the project use resources that are limited in the area? Are there other activities nearby that will affect the project?	<p>The development of the Bakken field has put significant demand on all types of resources in this area. People are flooding the area to acquire jobs.</p> <p>Action: This project will continue to put demands on this area and will continue to affect nearby projects.</p> <p>No-Action: No granting permission to work on this project will still not significantly decrease the demands on this area.</p>

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13.OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA: Are there other studies, plans or projects on this tract?	<p>For the most part, this region is primary deeded land used for farming and ranching industries. Oil development is significant in this area. This tract is used in association with adjacent private land. The DNRC is not aware of any studies, plans or projects other than ranching, farming and mineral development.</p> <p>Action: The implementation of this project is not anticipated to alter any plans, projects or studies in this area.</p> <p>No-Action: The no action is not anticipated to alter any plans, projects or studies in this area.</p>

III. IMPACTS ON THE HUMAN POPULATION	
RESOURCE	[Y/N] POTENTIAL IMPACTS AND MITIGATION MEASURES
14.HUMAN HEALTH AND SAFETY: Will this project add to health and safety risks in the area?	<p>Human Health and safety are being driven by the oil industry.</p> <p>Action: The DNRC decision to proceed with this project may slightly increase human health and safety risk. This increase is very small in comparison to the overall oil and gas industry along with the existing farming and ranching operations. If mining does not occur on State land, it will continue to occur on deeded land.</p> <p>No-Action No human health and safety risk will be present.</p>
15.INDUSTRIAL, COMMERCIAL AND AGRICULTURAL ACTIVITIES AND PRODUCTION: Will the project add to or alter these activities?	<p>Presently this land is used for ranching activities and supports livestock during the summer months.</p> <p>Action: Ranching operation will be temporarily decreased by 1 AUM. Ingress and egress of large equipment will create an opportunity for increased risk of at large livestock.</p> <p>Mitigation: During the first year of operation, the Concord Field Services will be required to compensate the surface lessee for the loss of AUMs that he has already paid the state for. During the second year of operation and during the existence of the operation the State will reduce the AUMs that the tract can support and therefore the bill will reflect the reduction.</p> <p>The industrial operations will be slightly increased. The area is witnessing intense oil development and</p>

	<p>this project will support this development.</p> <p>No-Action: There is a loss in industrial operations and the ranching operations will stay the same.</p>
16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT: Will the project create, move or eliminate jobs? If so, estimated number.	<p>This region has one of the lowest unemployment rates in MT. High hourly pay rates are being given to entry grade workers at fast food restaurants. Help wanted signs exist in the majority of the business located in this region.</p> <p>Action: The implementation of this project will increase jobs and further enhance the oil industry. Overall, the area is short of workers and the majority of the workers are imported into the region.</p> <p>No-Action: Low unemployment rates will continue to exist.</p>
17. LOCAL AND STATE TAX BASE AND TAX REVENUES: Will the project create or eliminate tax revenue?	<p>All proceeds generated from the State section are required by law to be deposited into the Common School Trust. Sale of this commodity is at \$4.00 per yard.</p> <p>Action: Implementation of this action is estimated to generate \$1200,000 into the common school account. Additional tax revenues may be received by the county and state through the enhanced oil and gas activities that this scoria will support.</p> <p>No-Action NO revenue will be generated.</p>
18. DEMAND FOR GOVERNMENT SERVICES: Will substantial traffic be added to existing roads? Will other services (fire protection, police, schools, etc) be needed?	<p>The average semi can haul approximately 18-20 yards of material. These pits will have approximately 30,000 yards requiring approximately 1500 trucking events take place.</p> <p>Action: Increased traffic will take place. Large numbers of trucks are presently traversing these roads and the addition of these trucks is rather small to the overall picture.</p> <p>No-Action: No activities will take place resulting in no increase in services.</p>
19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS: Are there State, County, City, USFS, BLM, Tribal, etc. zoning or management plans in effect?	<p>The Roosevelt County has County planning board authority for this area. No additional management plans or zoning plans are known to exist on this parcel. .</p> <p>Action Implementation of the action will not effect the local planning zone, State county, City, Federal or tribal plans.</p> <p>No-Action No effect.</p>
20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES: Are wilderness or	<p>This state parcel is not adjacent to wilderness areas. The tract is primarily used by recreationist for</p>

recreational areas nearby or accessed through this tract? Is there recreational potential within the tract?	<p>hunting opportunities. The tract is very small in nature and does not have legal access.</p> <p>Action: During mining and trucking activities hunting opportunities will be decreased through the displacement of game.</p> <p>No-Action: Recreational opportunities will continue as they are today.</p>
21.DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING: Will the project add to the population and require additional housing?	<p>The area has limited housing or motel opportunities. The oil development has occupied any and all existing living structures. People are presently migrating from as far away as Glendive, Glasgow and Wolf Point.</p> <p>Action: This project is not of a relevant size to add to ongoing demands that are taking place in the area.</p> <p>No-Action: No increase to the population and housing will take place because there is no opportunity for them to increase.</p>
22.SOCIAL STRUCTURES AND MORES: Is some disruption of native or traditional lifestyles or communities possible?	<p>Traditional farming and ranching lifestyles exist in this area. Changes to these lifestyles are taking place due to the development of the oil industry.</p> <p>Action: This project represents a small portion of the oil and gas industry. The project, in itself, is adding to the existing changes that are taking place.</p> <p>No-Action: No effect, change will continue to take place due to the significant development that is occurring.</p>
23.CULTURAL UNIQUENESS AND DIVERSITY: Will the action cause a shift in some unique quality of the area?	<p>Cultural uniqueness and diversity is a region wide issue in NE MT. This eastern edge of Roosevelt County is not unique within NE MT. The intense oil development is causing shifts to the unique diversity of this area.</p> <p>Action This project will not add to the shifts that are presently taking place.</p> <p>No-Action The lack of this project will not deter from the ongoing shifts that are taking place.</p>
24.OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:	<p>The region is witnessing intense oil and gas development. The development of the Bakken oil field is one of the most intense oil and gas developments presently taking place within the US. The State of Montana's Trust lands is a very small component of this development. The decision that the State makes has minor impacts on the overall development of this region.</p>

	<p>Action: The purpose of the scoria is to provide material for well pads and roads. If the scoria material was not mined on State Trust lands, it would be continued to be mined from other entities and therefore the overall impact is not at the discretion of the DNRC. Cumulative impacts of the overall development of this region are not at the discretion of the DNRC. The DNRC's decision will not affect the offsite impacts that will take place in this region. The impacts will take place in the absence of the whether this project is proceeded with.</p> <p>No-Action</p>
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EA Checklist Prepared By: s/Hoyt Richards/s Date: June 18, 2012

IV. FINDING	
25. ALTERNATIVE SELECTED:	Action
26. SIGNIFICANCE OF POTENTIAL IMPACTS:	No Significant Impact
27. Need for Further Environmental Analysis: <input type="checkbox"/> EIS <input type="checkbox"/> More Detailed EA <input checked="" type="checkbox"/> No Further Analysis	

EA Checklist Approved By:

Name

Title

s/Clive Rooney/s
Signature

Date: June 18, 2012

